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S/CT FOR RHONDA SHORE NCTC MANILA FOR RSO

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SUBJECT: FEDERATED STATES OF MICRONESIA: 2008 COUNTRY REPORTS ON

TERRORISM

REF: STATE 120019

- 11. Per reftel, post's 2008 Country Report on Terrorism follows.
- ¶2. The Federated States of Micronesia (FSM) is not a focal point for terrorist activity. No known terrorist groups operate in the area. To date, no terrorist acts have been committed on FSM soil, neither against the FSM government nor against American citizens. The United States has never requested the extradition of a terrorist suspect from the FSM.
- 13. The FSM Criminal Code contains no anti-terrorism statutes. Presumably, the government would invoke laws against murder and destruction of property if it ever had to prosecute someone for terrorist activity. Although the FSM ratified the UN Convention for the Suppression of the Financing of Terrorism in 2001, terrorist financing is not a specific crime either. Proposed Congressional Bill (C.B.) 15-132, imposes a life sentence for committing a terrorist act and up to 10 years for terrorist financing. The FSM Congress first considered the bill in 2006, but has failed to pass it since then.
- 14. The FSM does not support any terrorist organizations. The government provides no financial or political support to terrorists, nor does it confer diplomatic recognition and/or privileges. Moreover, the country can not be considered a safe haven for such groups. Given the country's location as a "crossroads" in the Pacific, the possibility exists that the FSM could be a transit point for terrorists traveling to other locations. Chuuk, the FSM's largest state encompassing more than 40 inhabitable islands, is bankrupt and law enforcement is weak. However, there is no evidence at this time that Chuuk or the country plays a role as a crossroads or sanctuary.
- 15. Potential vulnerability also arises from the fact that the FSM has no armed forces. Under the Compact of Free Association the United States is responsible for the defense of Micronesia, but no U.S. military personnel are based in the country (U.S. forces in Guam and Hawaii have jurisdiction). Additional vulnerability can be seen in national and state police forces that are, for the most part, poorly trained and equipped. Moreover, airport security screening is the responsibility of Continental Airlines employees, not government personnel. Continental is currently the only air passenger carrier at international airports in each of the four FSM states.
- 16. Law enforcement efforts against terrorism, limited as they are given the region's lack of capacity, fall within the purview of the Transnational Crime Unit (TCU). Relying on American funding and Australian supervision since its opening in April 2008, the TCU brings officers from a number of Pacific island nations to the FSM capital of Palikir. Information is then shared on issues such as narcotics, human trafficking, and terrorism. The TCU also exchanges information with the FBI and the Australian Federal Police, making it the recipient of any terrorist-related intelligence.
- 17. There is no suggestion that the FSM's limited

counterterrorism activities have resulted in the suppression of legitimate political opposition or dissent.

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